

Holme Valley Parish Council

DRAFT MINUTES OF THE FINANCE & MANAGEMENT COMMITTEE MEETING HELD ON MONDAY 20 JUNE 2022

Those present:

Chair: Cllr P Colling

Councillors: Cllrs M Blacka, C Greaves, R Hogley

Officer: Mr Rich McGill (RFO/Deputy Clerk)

Welcome

The Chair welcomed Members to this meeting of the Holme Valley Parish Council Finance and Management Standing Committee.

Public Question Time

No members of the public were present at the meeting.

2223 20 Public Bodies (Admission to Meetings) Act 1960 amended by Openness of Local Government Bodies Regulations 2014

The RFO/Deputy Clerk recorded the meeting for upload to the Parish Council's YouTube channel.

No-one else wished to record the meeting.

2223 21 To accept apologies for absence

Cllrs Carré, RP Dixon and East had tendered apologies.

RESOLVED: The reasons for their apologies were approved by the Committee.

Cllr Greaves joined the meeting a few minutes after the start at 1910hrs.
Cllr Bustard was not in attendance.

Cllr Pogson had sent an apology for the previous meeting 25 April 2022 but this had not been opened by the Officer before that meeting. His reason for that apology were considered belatedly at this meeting.

RESOLVED: The reasons for his apology were approved by the Committee.

2223 22 To receive Members' and Officers' personal and disclosable pecuniary interests in items on the agenda

None were disclosed.

2223 23 To consider written requests for new DPI dispensations

None had been received.

Holme Valley Parish Council

2223 24 To consider whether items on the agenda should be discussed in private session

RESOLVED: Members resolved that item 2223 30 ii should be heard in private.

2223 25 To confirm the Minutes of the previous Committee meeting

NOTED: Members noted the Minutes of the Finance & Management Committee Meeting held on 25 April 2022, numbered 2223 01 to 2223 19 inclusive, - already approved by Council.

2223 26 To nominate a Vice Chair of the Committee

RESOLVED: Given the number of absentees from the meeting, Members resolved to defer this item until the next meeting of the Committee.

2223 27 Grants

The Chair reported on the work to date of the Grants Working group.

NOTED: The Committee noted that the Grants Working Group had met twice and was making some progress with its proposals for Council on various and comprehensive aspects of the grants process. However, it was noted that the process was likely to be longer than anticipated and any findings would not become part of policy until the new financial year 1st April 2022.

However, with the next cycle of grants to be considered in September 2022, - Service Provision on 12th September and Finance and Management on 19th September, - an interim procedure for the Grants 2022-23 needed implementation.

RESOLVED: It was resolved that some tweaks would be undertaken to the current application form, - firstly, to the section to do with the climate emergency and, secondly, to change some of the ordering, - by Cllr Blacka. The RFO/Deputy Clerk would make amendments to the website as required and post notice to the Parish Council website and Facebook page of the grants cycle. It was resolved that the revised form and process for this year's grants cycle would be put to Council 11 July 2022 for approval with a closing date for the first round of applications being 31st July 2022.

Cllr Blacka asked for the RFO/Deputy Clerk to create a rolling spreadsheet of grants awarded.

Community groups were to be encouraged to discuss future funding needs with Officers.

2223 28 Accounts for Payment

- i. **NOTED:** Members noted that, at the end of Council year 2021-22, the departing Chairman decided that he wished for the money remaining in the Chairman's Expenses budget to return to general reserves. There had been no expenditure by the new Chairman from Chairman's Expenses though his Civic Event has been booked for December and there will be attendant expenses attached.

- ii The Committee considered the pending month-to-date transactions of the Schedule of Payments for June 2022.

RESOLVED: The outstanding invoices which needed authorisation were approved for payment.

NOTED: Members noted the following accounting summaries

i. For April 2022:

- (1) Bank Reconciliations All Accounts (to end 30 April 2022)
- (2) Cash Books All Accounts Receipts and Payments (to end 30 April 2022)
- (3) Trial Balance (to end 30 April 2022)
- (4) Detailed Income and Expenditure by Budget Heading (YTD Budget Report to end 30 April 2022)
- (5) Cash and Investment Reconciliation (to end 30 April 2022)
- (6) Earmarked Reserves (to end 30 April 2022)
- (7) VAT Return – quarter to date.

Members specifically noted:

- The RFO had removed the two Cash Books which contained no money, - that is, the Handelsbanken 30D account and the Petty Cash account.
- The Community Assets cost centre had been removed and the nominal budget codes under that cost centre moved, as agreed, to the appropriate Finance and Management and Service Provision cost centres. This will show, for example, in reports like the Detailed Income and Expenditure by Budget Heading report.
- All of the earmarked reserves approved last year had now been created from the general reserves. (The only earmarked reserves not in the April figures at this point were the ones agreed at Council 16 May to create reserves for the Climate Emergency Standing Committee.) Members noted an earmarked reserve report taken 1 April 2022 to reflect the Parish Council's reserves as agreed in the annual budget negotiation, and a second reserve report taken at the month end 30 April 2022 to reflect subsequent changes in reserves.
- As shared at the meeting of full Council, the RFO reported that earmarked reserves cannot be created from the money from a budget line. Earmarked reserves can only be created from general reserves. If the Council or a Committee via the Council wants to earmark money from a budget it must not move that money but keep it in mind that the money has been committed and at the end of the year the unspent budget falls into the general reserves at which point the earmarked reserve can be created. The Committee noted that the RFO/Deputy Clerk will give a narrative report on the Parish Council's committed ringfencing of budgets to become earmarked reserves in his financial reports. Thus, for example, the earmarked reserve for EMR 323 Community Assets – others in the Holme Valley currently consists of:
 - £5,000 earmarked for Hepworth Pre-School and Out of School Club
 - £2,017 earmarked for New Mill Scouts for their new scout hut.

Holme Valley Parish Council

ii. For May 2022:

- (1) Bank Reconciliations All Accounts (to end 31 May 2022)
- (2) Cash Books All Accounts Receipts and Payments (to end 31 May 2022)
- (3) Trial Balance (to end 31 May 2022)
- (4) Detailed Income and Expenditure by Budget Heading (YTD Budget Report to end 31 May 2022)
- (5) Cash and Investment Reconciliation (to end 31 May 2022)
- (6) Earmarked Reserves (to end 31 May 2022)
- (7) VAT Return – quarter to date.

Members specifically noted:

- The earmarked reserves now included newly created ones agreed at Council 16 May 2022 to create reserves for the Climate Emergency Standing Committee, - namely, 339 EMR If It's Not Far Leave the Car and 340 EMR CESC Living Streets.
- The level of general reserves after the creation of these earmarked reserves was now £108,744 which is about 38% of precept. Target is around 25%.

There was some discussion about the presentation of the accounting records and that Members felt that certain key reports should be separated off from the other documents for consideration. The Committee felt that i) the Detailed Income and Expenditure by Budget Heading report should be separated out as a specific agenda item so that Members could make decisions regarding, for example, projected underspends and overspends, and ii) the record of Earmarked Reserves should be separated out with a narrative report of any changes. The RFO/Deputy Clerk said he would action this.

Cllr Hogley reported that she found it difficult to follow the current situation with regard to the Climate Emergency 4805 Community Mobilisation budget line because the Climate Emergency Co-ordinator's salary has, for audit reasons, to be separated out from it. The RFO/Deputy Clerk said that he would write a separate narrative report on that budget line to explain the actual amount remaining in the budget. In budget negotiations for next year, the RFO/Deputy Clerk advised that the Climate Emergency Co-ordinator salary should be split off with a separate budget line or incorporated into the regular Salaries budget line. The latter would be preferable.

There was a discussion about the amount of annual reserves held and how additional budget or earmarked reserves for youth provision might be a good way to use excess reserves.

2223 30

Tenancies

- i **NOTED:** The Committee noted that all payments for garages and allotments had been banked and signed copies of the contracts authorised by the Clerk, a copy retained by the Parish Council and a copy returned to the tenants.

The next item 2223 ii regarding ongoing plans to meet arrears was agreed to be taken in private session and the Committee resolved to move this item to the end of the meeting.

Holme Valley Parish Council

2223 31 Precept for 2022-23

NOTED: Members noted that the Parish Council had, as agreed with Kirklees, received the first part of two parts of the precept and special expenses grant from Kirklees Council, - a total of £143,010.50, which broke down into £141,346.50 precept and £1,664 special expenses grant.

2223 32 Interim Internal Audit

- i. **NOTED:** The Committee noted 1) the Year End Internal Audit Report by the Parish Council's Internal Auditor and 2) the Annual Internal Audit Report as part of the Accountability and Governance Annual Return (AGAR).

As shared with Councillors, two things from the internal auditor's checks required amendments and additions to the Parish Council's returns to be published and forwarded to the external auditor.

The first change was to do with our fixed asset values. This is covered under 5.7 under p4 of the full report. The internal auditor had suggested that under the latest JPAG Practitioner's Guide March 2022 the phone box added to the fixed asset register should have been valued at £1 (what we paid for it) rather than £3,000 (what it will be worth). This recommendation would mean amending the value of the Parish Council's Fixed Assets thus:

Value of HVPC Fixed Assets	Year End 2020-21	Year End 2021-22
As it was previously agreed by Council (box valued at £3k)	£5,271,894	£5,274,894
As the internal auditor says figures should be (box valued at £1)	£5,271,894	£5,271,895

The Committee considered the internal auditors advice.

RESOLVED: The Committee resolved to amend the Accounting Statements on the Accountability and Governance Annual Return 2021-22 (AGAR) with the corrected figure.

- ii. The RFO/Deputy Clerk reported that one thing the Parish Council failed on in the Accountability and Governance Annual Return was a new internal control requirement that just came in this year, - this is about adherence to the transparency code. This requires the Parish Council to publish a variety of financial information and to do so in an agreed format. The Parish Council did not meet the requirements of this objective under this audit. Fortunately, the Parish Council's internal auditor had laid out for us everything the Parish Council needs to do to meet the new requirement. The Committee considered the RFO/Deputy Clerk's report on this to the external auditor explaining how the Parish Council attends to address these shortcomings. The RFO/Deputy Clerk would envisage this would be in place before the next meeting of the Finance and Management Committee 22 August 2022.

RESOLVED: The Committee resolved to approve the report and action plan for submission to the external auditor.

Holme Valley Parish Council

- iii. The Committee considered revised dates for the Notice of Public Rights and Publication of Unaudited Annual Governance and Accountability Return, - namely for the announcement of the notice to be on Tuesday 21st June and for the 30 working days for members of the public to inspect accounting records to be from Wednesday 22nd June to Tuesday 2nd August.

RESOLVED: The Committee resolved to approve the revised dates for publication.

2223 33 Internal Control Check

RESOLVED: The Committee resolved that the RFO/Deputy Clerk would contact Cllr Bustard to make arrangements for him to do the first quarterly internal control check in early July 2022 to cover the months April-June 2022.

2223 34 Banking

- i. **NOTED:** Members noted the RFO/Deputy Clerk's report that he had still not had time to investigate the options of moving to a new, "greener" and more ethical bank. He reported that this should be easier in the summer when the RFO/Deputy Clerk does not officiate over meetings 11 July to 15 August, so progress should be made before the next meeting.
Cllr Greaves suggested looking into using Kirklees Council as a holder for Parish Council funds.
- ii. **NOTED:** Members noted that the request from Handelsbanken for all Councillors to supply proof of identification and address for certification in person was on hold as Handelsbanken were reviewing their systems.

2223 35 Financial Records for the website

NOTED: The Committee noted that the financial records for April 2022 and May 2022 had been uploaded to the Council website accessible from Quick Links, and that the RFO had added a new monthly record to the website, namely the Trial Balance which records the Parish Council's earmarked reserves and the level of general reserves.

Holme Valley Parish Council

2223 36 Holme Valley Parish Council Honours Board

- i. The maintenance of the honours boards comes under the authority of the Finance and Management Committee under the Scheme of Delegation. Approval was sought to update the Honours Board in the Exhibition Room as follows:

2017-2018 J G Cropper
2018-2019 Mrs D Hall
2019-2020 T Bellamy
2020-2021 Mrs R J Hogley JP
2021-2022 M Pogson
2022-2023 J Brook

The Clerk had received a quotation from A1 Signs and Banners, – who provided this service previously in 2014, – at a cost of £60 plus VAT.

RESOLVED: The Committee approved expenditure on this work.

Members felt that the honours board should be updated every year to record the current incumbent.

- ii. As a further consideration, the Members deliberated the tradition regarding the Honours Board as recording female Chairs with the title “Mrs” and for male Chairs to have no title.
RESOLVED: Whilst there was some significant difference of opinion on this matter, it was resolved that, given that the above Chairs were happy with their names to be recorded thus, any new Chairs who wanted to diverge from tradition would have this considered by Council at that time.

2223 37 Utility Aid

NOTED: Members noted that, - as instructed at the last meeting of the Finance and Management Committee, - Utility Aid, the energy and utilities broker, had been contacted regarding the energy and water needs of the Parish Council pertaining to Holmfirth toilets. Utility Aid will audit our utility usage and then source rates in line with the Parish Council’s needs including “greener” options.

2223 38 Publicising the work of Holme Valley Parish Council

RESOLVED: Nothing was identified for publicity.

The item taken in private session was deferred to the end of the meeting.

2223 30 Tenancies

- ii Members considered the plans with tenants for meeting debt arrears.
RESOLVED: That the RFO/Deputy Clerk would monitor the payment of debt arrears and report to Finance and Management on this matter or, if needed, to full Council.

Close of Meeting
The Meeting finished at 830pm

Holme Valley Parish Council

.....
Chairman